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FOREIGN SERVICE DESPATCH

FROM : American Embassy GUATEMALA — 308 DESP. NO.

TO : THE DEPARTMENT OF STATE, WASHINGTON.

November 12, 1957

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REF : F753209-1186

For Dept. Use Only	ACTION	DEPT.
	REC'D 11/15	IN / OUT: RMIA-2 IRC-8 IO-1
		OTHER: CIA-12 USIA-10 OSO-4 Army-4 Navy-4

SUBJECT: The MDN and the New Political Campaign

There is enclosed a memorandum of a conversation between an Embassy officer and Eduardo Turacena de la Cerda, Secretary of Organization of the Movimiento Democratico Nacionalista (MDN). The conversation brings out the fact that the MDN is energetically reactivating its political machine for the purpose of backing Jose Luis Cruz Salazar in the January 19 presidential elections. MDN headquarters are busy as a beehive these days and its leaders are confident that the Party's fall from official grace following the October 20 elections has not seriously impaired its strength.

MDN leaders reason that most of the minor government officials who served the party in the last elections are still in office and have more political loyality to the MDN than to the provisional government which they realize is a transitory phenonenon. Moreover, the MDN leadership feels that these public officials realize that they will become political "outs" if Ydigoras or the PR wins the elections because of their support of the MDN in the past elections. Therefore, the MDN feels they will stake their future on trying to make good the victory of the MDN backed candidate in the next elections.

FOR THE AMBASSADOR:

William E. Connett, Jr.
First Secretary

DECLASSIFICATION DATE 6/4/75
PER Fumbos OFFICE ARA
FADRC FOI CASE NO. 5-B201

Enclosure:
As stated.

WLConnett/EJRuyle:bb
REPORTER

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Encl. No. 1
Desp. No. 224
From Guatemala

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MEMORANDUM OF CONVERSATION

November 8, 1957

PARTICIPANTS: Eduardo Taracena de la Cerda, Secretary of Organization, MDN; and Benjamin J. Ruyle, Political Officer.

SUBJECT: The MDN and the New Election Campaign

Taracena said that Col. Peralta Azurdia possibly would be nominated by some party, but he said that the Colonel was flirting with the Partido Revolucionario and with such leftists as Cols. Adolfo Garcia Montenegro and Carlos Paz Tejada. He said the MDN would not support Peralta.

He stated that the MDN is strongly considering Col. Cruz Salazar as its candidate in the new campaign, having in mind Army support. Taracena said that the failure of the Army to put down the demonstrations which followed the October 20 elections, or to allow the MDN to put them down, cost Ortiz Passarelli the Presidency. He said that the demonstrations could easily have been put down. The MDN was prepared to put them down if the Army was unwilling to do it. Taracena said, however, that the Oliva brothers simply tied MDN's hands and would not permit it to act. He accused the Oliva brothers, in effect, of being traitors to the cause. MDN now believes that Juan Francisco wished to become President all along. Taracena emphasized that the MDN intends this time to nominate a candidate whom the Army will support following the elections.

Mr. Ruyle asked whether Ortiz Passarelli did not conceivably now have more strength than ever, considering his moderate actions and statements during the events following October 20. Taracena replied in the affirmative, but returned to his point that the MDN realizes that the candidate who wins the elections on January 19 must have the support of the Army in order to take office and to remain in office. He doubted that Ortiz could consolidate Army support, in spite of the victory he had won. Taracena stated that Ortiz was a patriot who would withdraw in favor of the new MDN candidate at the appropriate time for the greater good of Guatemala.

Mr. Ruyle asked whether the MDN would not be seriously weakened should President Flores Avendaño decline to bring government support behind the MDN candidate in the new campaign. Taracena replied in the negative. He seemed little concerned over the likelihood that President Flores would be neutral in the coming campaign. He stated that the MDN members who were a part of the Lopez Gonzalez Government were for the most part still in their same positions. He stated specifically that the MDN had lost only four important government positions: his own and that of MDN Secretary General Mario Sandoval

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on the presidential staff, the loss of Dr. Sosa Padilla from the cabinet and the loss of Carlos Cheesman as Director of National Farms. Sr. Taracena insisted that the MDN had lost very little of its organizational strength. MDN Director General Mario Sandoval, who entered the conversation briefly at its close, stated that he considered MDN strength 90% intact. Taracena said that the only help the Government had given in the past campaign was financial help and when Mr. Ruyle indicated his belief that financial help was of considerable importance, Sr. Taracena stated that the MDN affiliates during the campaign had not received one cent from MDN headquarters and that the lack of government funds during the new campaign would not be noticed on the lower levels.

Taracena said that the party at the moment is concentrating on gaining control of municipal offices on December 1. He considered that the outcome of the December 1 elections would an important and direct bearing on the presidential elections.

Mr. Ruyle asked whether General Ydigoras would be a strong contender in the new campaign. Taracena replied that the inscription of the Partido Revolucionario would cost the General half his votes. Taracena called attention to the fact that the General had received more votes than Ortiz in areas which were known to be communist strongholds. He mentioned as examples: Tiquisate, Villa Nueva and Asunción Mita. He added that the intemperate actions of Ydigoras during the week after the October 20 elections had also cost him much strength.

Mr. Ruyle asked whether his being Ambassador to the United States might not handicap Col. Cruz Salazar's campaign. Sr. Taracena replied that the Colonel would win in spite of this. He believed, in fact, that the Colonel could gain the backing of some elements in the PR.

Mr. Ruyle mentioned the published rumors to the effect that the PR candidate would withdraw in favor of former President Arevalo at some time during the campaign. Sr. Taracena acknowledged that Arevalo still has great strength in Guatemala but he stated that the PR has no intention of provoking another Liberation. He said that the PR had gained experience and that its crafty intentions now called for a gradual comeback rather than a coup by Arevalo. He believed the PR was aiming first to build up its strength in Congress, thereafter to take over such Ministries as Labor and Interior. He said that eventually, of course, the Communists in the organization would come into the open and take over the party.